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The BANK OF NOVA SCOTIA

ESTABLISHED 1832

ONE HUNDRED AND FIFTEENTH ANNUAL REPORT

October 31st, 1946

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The
Bank of Nova Scotia

Incorporated 1832

ONE HUNDRED AND FIFTEENTH ANNUAL REPORT

31st October, 1946

PRINTED IN CANADA

The Bank of Nova Scotia

Incorporated 1832

CAPITAL AUTHORIZED	$15,000,000.00
CAPITAL PAID-UP	$12,000,000.00
RESERVE FUND	$24,000,000.00

Head Office - - - Halifax, N.S.

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General Manager's Office, Toronto

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C. S. FROST

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G. P. SPEIRS, *Manager, Bank Premises Department*

H. C. STEWART, *Supervisor of Properties*

J. R. PINDER, *General Office Auditor*

*Temporarily attached to Wartime Prices and Trade Board, Ottawa

CORRESPONDENTS

GREAT BRITAIN AND IRELAND

Bank of England

Midland Bank Limited
Royal Bank of Scotland
Barclays Bank Limited
National Provincial Bank Ltd.
District Bank Limited
Provincial Bank of Ireland Ltd.

UNITED STATES

NEW YORK:
Bank of New York
Guaranty Trust Co. of New York
Central Hanover Bank & Trust Co.
Bank of The Manhattan Co.
Bankers Trust Co.
Chemical Bank & Trust Co.
Corn Exchange Bank Trust Co.
National City Bank of New York
Chase National Bank of the City of New York
J. P. Morgan & Company Inc.
Irving Trust Company
Manufacturers Trust Co.
New York Trust Co.
Commercial National Bank & Trust Co.

BALTIMORE, MD.:
Baltimore National Bank

BOSTON:
Merchants National Bank of Boston
First National Bank of Boston
National Shawmut Bank of Boston
State Street Trust Company

BUFFALO:
Liberty Bank of Buffalo

CHICAGO:
First National Bank of Chicago
Continental Illinois National Bank & Trust Company of Chicago

CLEVELAND:
National City Bank of Cleveland
Cleveland Trust Company

DETROIT:
National Bank of Detroit

LOS ANGELES:
Security-First National Bank of Los Angeles

MINNEAPOLIS:
First National Bank of Minneapolis

MOBILE, ALA.:
Merchants National Bank of Mobile

NEW ORLEANS:
Whitney National Bank of New Orleans

PHILADELPHIA:
Philadelphia National Bank

PITTSBURGH:
Mellon National Bank & Trust Co.

PORTLAND, ORE.:
First National Bank of Portland

PROVIDENCE:
Rhode Island Hospital National Bank

SAN FRANCISCO:
American Trust Company
Bank of America N. T. & S. Assoc'n.

SEATTLE:
Seattle-First National Bank

OTHER COUNTRIES

AFRICA:
Standard Bank of South Africa Ltd.
Barclays Bank (D. C. & O.)

AUSTRALIA AND NEW ZEALAND:
Union Bank of Australia Ltd.
Bank of New South Wales
Commercial Bank of Australia Ltd.

BELGIUM:
Banque de Bruxelles
Westminster Foreign Bank Ltd.

DENMARK:
Danske Landmandsbank

FRANCE:
Comptoir National d'Escompte de Paris
Credit Lyonnais
Societe Generale

HOLLAND:
Amsterdamsche Bank
Nederlandsch-Indische Escompto Maatschappij
Rotterdamsche Bankvereeniging

HONGKONG-CHINA:
Hongkong & Shanghai Banking Corpn.

INDIA:
Chartered Bank of India, Australia and China

ITALY:
Banca Commerciale Italiana

NORWAY:
Christiania Bank og Kreditkasse

PORTUGAL:
Bank of London & South America Ltd.
Banco Fonsecas, Santos & Vianna

SOUTH AMERICA:
Bank of London & South America Ltd.

SPAIN:
Bank of London & South America Ltd.
Banco Pastor
Banco Exterior de Espana

SWEDEN:
Stockholms Enskilda Bank

SWITZERLAND:
Swiss Bank Corporation
Union Bank of Switzerland

DIRECTORS' REPORT

Your Directors beg to submit herewith the One Hundred and Fifteenth Annual Report of the Bank covering its operations for the fiscal year ended 31st October, 1946, with a statement showing the Assets and Liabilities at that date.

The profits for the fiscal year ended 31st October 1946, after making appropriations to Contingency Reserves, out of which accounts full provision for Bad and Doubtful Debts has been made, amounted to		$3,601,333.39
Provision was made out of this for the following:		
Depreciation on Bank Premises	$ 398,277.62	
Dominion Government Taxes (of which $45,618.76 is refundable under the provisions of the Excess Profits Tax Act)	1,614,600.29	2,012,877.91
Leaving the total available for distribution		$1,588,455.48
This has been appropriated as follows:		
Dividends at the rate of 10% per annum for first quarter and at 12% per annum for the last three quarters		$1,380,000.00
Leaving a balance to be carried forward		$ 208,455.48
To which is added the balance brought forward last year		1,489,633.78
Making the balance in Profit and Loss Account, 31st October, 1946		$1,698,089.26

The Assets of the Bank have been carefully and conservatively valued, and the correctness of the statement is certified by the Auditors appointed by you under Section 55 of The Bank Act. During the year the Branches have been inspected by experienced officers specially appointed for that purpose.

There were 276 Branches of the Bank in operation at the beginning of the fiscal year; during the year 22 Branches were opened and none closed, so that there were 298 Branches of the Bank in operation as at 31st October, 1946. Of these 262 are in Canada, 13 in Newfoundland, 21 in the West Indies, 1 in the United States and 1 in London, England. There are also 12 Sub-branches of the Bank in operation.

It is with profound regret that your Directors record the death during the year of their esteemed colleague, Mr. J. A. McLeod, who acted first as Vice-President, then as President and latterly as Chairman of the Board, for nineteen consecutive years and your Directors wish to pay tribute to the devoted service which he rendered in those capacities.

During the year two new Directors, Mr. W. J. Hastie and Mr. Hugh Mackay, were elected to the Board and Hon. F. B. McCurdy, P.C., was elected a Vice-President.

Your Directors wish to record their sincere appreciation of the loyalty and efficiency with which the officers of the Bank have discharged their duties in the past year.

On behalf of the Board,

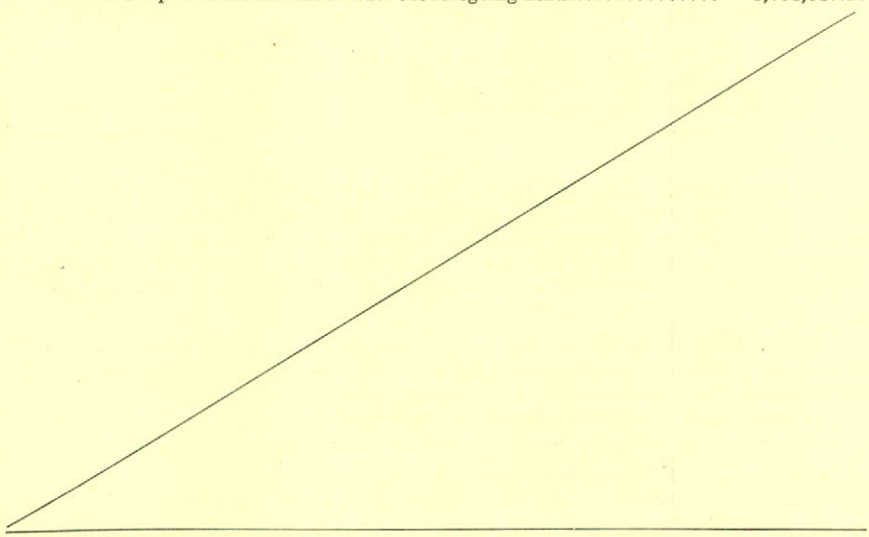
H. D. BURNS,
President.

Halifax, N.S., 4th December, 1946.

General Statement as at 31st October, 1946

LIABILITIES

Capital paid up		$12,000,000.00	
Rest or reserve fund		24,000,000.00	
Dividends declared and unpaid		367,421.20	
Balance of profits, as per profit and loss account		1,698,089.26	
			$ 38,065,510.46
Notes in circulation		$ 1,981,035.79	
Deposits by and balances due to Dominion Government	$ 24,122,955.67		
Deposits by and balances due to provincial governments	2,684,174.11		
Deposits by the public not bearing interest	237,738,208.96		
Deposits by the public bearing interest, including interest accrued to date of statement	338,825,513.19		
		603,370,851.93	
		$605,351,887.72	
Deposits by and balances due to other chartered banks in Canada		5,389,535.28	
Deposits by and balances due to banks and banking correspondents elsewhere than in Canada		8,803,712.67	
			$619,545,135.67
Acceptances and letters of credit outstanding			36,800,137.18
Liabilities to the public not included under the foregoing heads			1,764,647.10



H. D. BURNS, President — $696,175,430.41

Auditors' Report to the Shareholders of The Bank of Nova Scotia:

We have examined the above General Statement of Liabilities and Assets as at 31st October, 1946, Bank's investments and cash on hand at the Chief Office and at the Toronto and Montreal Branches and explanations that we have required, and in our opinion the transactions of the Bank which have come

We report that in our opinion the above statement discloses the true condition of the Bank and is as

TORONTO, CANADA, 16th November, 1946.

General Statement as at 31st October, 1946

ASSETS

Gold and subsidiary coin held in Canada	$ 742,303.19	
Gold and subsidiary coin held elsewhere	916,147.51	
Notes of Bank of Canada	13,429,976.50	
Deposits with Bank of Canada	38,264,661.56	
Notes of and cheques on other banks	23,522,180.35	
Government and bank notes other than Canadian	21,438,548.51	
	$ 98,313,817.62	
Due by banks and banking correspondents elsewhere than in Canada	20,064,875.78	
	$118,378,693.40	
Dominion government direct and guaranteed securities maturing within two years, not exceeding market value	117,865,572.70	
Other Dominion government direct and guaranteed securities, not exceeding market value	165,273,199.64	
Provincial government direct and guaranteed securities maturing within two years, not exceeding market value	7,431,133.77	
Other provincial government direct and guaranteed securities, not exceeding market value	16,333,763.99	
Canadian municipal securities, not exceeding market value	9,163,346.10	
Public securities other than Canadian, not exceeding market value	29,152,407.65	
Other bonds, debentures and stocks, not exceeding market value	15,320,114.48	
Call and short (not exceeding thirty days) loans in Canada on stocks, debentures, bonds and other securities, of a sufficient marketable value to cover	11,999,096.80	
Call and short (not exceeding thirty days) loans elsewhere than in Canada on stocks, debentures, bonds and other securities, of a sufficient marketable value to cover	1,667,160.00	
		$492,584,488.53
Current loans and discounts in Canada, not otherwise included, estimated loss provided for	$136,380,786.10	
Current loans and discounts elsewhere than in Canada, not otherwise included, estimated loss provided for	19,273,248.36	
Loans to provincial governments	1,569,387.54	
Loans to cities, towns, municipalities and school districts	1,283,002.01	
Non-current loans, estimated loss provided for	61,925.58	
	$158,568,349.59	
Liabilities of customers under acceptances and letters of credit as *per contra*	36,800,137.18	
Mortgages on real estate sold by the bank	73,939.53	
Bank premises, at not more than cost, less amounts written off	5,738,907.35	
Deposit with the Minister of Finance for the security of note circulation	121,795.08	
Shares of and loans to controlled companies	1,475,000.00	
Other assets not included under the foregoing heads (including refundable portion of Dominion Government taxes amounting to $677,643.38)	812,813.15	
		$203,590,941.88
		$696,175,430.41

H. L. ENMAN, General Manager

and compared it with the books at the Chief Office and with the certified returns from the Branches. The were confirmed by us at the close of business on 31st October, 1946. We have obtained all the information under our notice have been within the powers of the Bank.
shown by the books of the Bank.

W. L. L. McDONALD, C.A., of Price, Waterhouse & Co.
G. T. CLARKSON, F.C.A., of Clarkson, Gordon & Co.
} Auditors

Controlled Company

Empire Realty Company, Limited

Balance Sheet, 31st October, 1946

ASSETS

LAND	$2,500,000.00

LIABILITIES

CAPITAL STOCK	*$2,500,000.00

**The Capital Stock issued by the above Company is wholly owned by The Bank of Nova Scotia and is shown in its Statement of Liabilities and Assets as $1,476,000.00*

To the Shareholders of Empire Realty Company, Limited:

We have examined the books and accounts of Empire Realty Company, Limited, for the year ended 31st October, 1946, and report that in our opinion the above balance sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at that date according to the best of our information and the explanations given us and as shown by the books of the Company. All our requirements as auditors have been complied with.

W. L. L. McDONALD, C.A., of Price, Waterhouse & Co.
G. T. CLARKSON, F.C.A., of Clarkson, Gordon & Co.
} Auditors

TORONTO, CANADA, 14th November, 1946.

Minutes of the One Hundred and Fifteenth Annual General Meeting of the Shareholders of The Bank of Nova Scotia, held at the Head Office of the Bank in the City of Halifax, N.S., on Wednesday, December 4th, 1946

The following were present:

Mr. H. D. Burns, Hon. F. B. McCurdy, P.C., Mr. E. Crockett, Mr. Russell Blackburn, Mr. W. M. Birks, C.B.E., LL.D., Colonel J. D. Fraser, Dr. J. G. MacDougall, Mr. W. A. Winfield, Mr. W. C. Harris, Mr. W. J. Hastie, Mr. Hugh Mackay, Mr. Norman T. Avard, Dr. Jane L. Bell, Mr. H. F. Bethel, Mr. M. R. Chappell, Mr. R. B. Colwell, Mr. Gordon Dunnet, Mr. Michael Dwyer, Miss Georgene L. Faulkner, Mrs. Muriel L. Gibson, Mr. J. W. Godfrey, K.C., Mr. C. H. Gorham, Mr. Eric McN. Grant, Mr. C. E. Hand, Mr. Gilbert S. Hart, Mrs. Isabel M. Hay, Mr. F. H. M. Jones, Mr. M. J. Kaufman, Colonel K. C. Laurie, Miss Jane A. Malcolm, Mr. Harry I. Mathers, Mr. Charles C. Mitchell, Mr. N. Cyril Mitchell, Mr. R. A. Mingie, Dr. C. S. Morton, Mr. John Mowat, Mr. E. L. MacDonald, Mr. R. C. MacDonald, Mr. C. F. Mackenzie, Mr. Donald McInnes, K.C., Mr. R. J. R. Nelson, Mrs. Janet G. Oxley, Mr. W. L. Payzant, K.C., Mr. George B. Robertson, Mr. E. L. Rowan-Legg, Mr. L. V. Smith, Mr. Clifford L. Torey, C.A., Miss M. Grace Wambolt, Mr. A. B. Wiswell, Mr. C. B. Simmons, Mr. A. G. Macdonald, Mr. F. Ormrod, Mr. A. W. Farwell, Mr. E. L. Piggott, Mr. H. A. Fillmore, Mr. M. D. McDonald, Mr. R. B. W. Ward, Mr. F. T. McLellan, Mr. W. C. Hawker, Mr. H. B. MacKean, Mr. J. H. Rattee, Mr. T. W. Mitton, Mr. J. F. Gill, Mr. G. M. Schurman, Mr. W. R. Adams, Mr. J. T. Holder, Mr. H. F. Cunningham, Mr. J. B. Tarlton, Mr. H. G. Dustan, Mr. F. W. Chenhall, Mr. R. E. Macdonald, Mr. W. A. Clark, Mr. W. Cook, Mr. J. H. Malcom, Mr. L. D. Payzant, Mr. W. E. Starrak, Mr. W. S. Bond, Mr. H. N. Hubley, Mr. N. W. R. Hamilton, Mr. R. V. Hickson, Mr. R. E. Tower, Mr. F. W. Nicks, Mr. R. C. Stoddard, Mr. F. L. Graham, Mr. C. F. Lindsay, Mr. R. L. Dales, Mr. F. J. Finlay, Mr. W. H. Silver, and Mr. H. L. Enman, General Manager.

On motion of Mr. W. M. Birks, C.B.E., seconded by Mr. Russell Blackburn, Mr. H. D. Burns was appointed Chairman of the meeting.

On motion of Mr. W. C. Harris, seconded by Mr. W. J. Hastie, Mr. W. H. Silver was appointed Secretary of the meeting.

At the request of the Chairman, the notice convening the meeting was read by the Secretary.

On motion of Mr. N. Cyril Mitchell, seconded by Miss Georgene L. Faulkner, Mr. C. F. Mackenzie and Mr. Harry I. Mathers, were appointed Scrutineers for the meeting.

The Minutes of the last Annual Meeting, having been printed and distributed to the Shareholders, were taken as read, and on motion of Mr. W. L. Payzant, K.C., seconded by Mr. George B. Robertson, were confirmed.

At the request of the Chairman, the Secretary read the Report of the Directors for the past fiscal year and the Auditors' Report to the Shareholders of the Bank. The General Statement of Liabilities and Assets as at October 31st, 1946, and the Statement of Profit and Loss Account for the fiscal year ended that date, together with the Statement of the Empire Realty Company, Limited, as at October 31st, 1946, having been placed in the hands of the Shareholders, were considered as read.

At the request of the Chairman, those present stood for one minute in silence in memory of the late Mr. J. A. McLeod, Chairman of the Board of Directors, who passed away on March 5th last.

THE CHAIRMAN THEN ADDRESSED THE MEETING AS FOLLOWS:

"For some time, it has been the custom at the Annual Meeting for the President to review briefly the state of business conditions and to discuss one or more questions bearing on the economic outlook. This practice is, I believe, well based, since the business of banking reflects the ups and downs in Canada's economic life and shows the impact of changes in domestic and foreign trade, in business decisions and in Governmental policies.

On this occasion, my review of business conditions in Canada will be very brief—the General Manager will have more to say about recent business trends as they directly relate to the Bank's activities.

What I particularly wish to discuss is one of the important questions concerning our economic outlook, namely, the course of prices and business in the United States.

The Changeover from War to Peace

Let me first review briefly some of the salient points in the Canadian economic picture. The changeover of Canada's business structure from the pursuits of war to the ways of peace has, all things considered, gone forward well. It is true that the great flow of production for which we have been waiting has been held back by serious industrial disputes at home and by the effects of industrial unrest in the United States. Production is still handicapped by troublesome shortages of materials and components, and consumers still find that a great many of the things they want are not yet readily available. But while there have been delays and disappointments, conditions have in many respects been remarkably good. The influence of the rapid scaling down in our huge war outlays has been minimized by sharply expanding business and consumer expenditures and by the maintenance of a high level of export trade. Employment in peacetime activities has increased greatly—in the late summer there were nearly 1,000,000 more people employed than before the war. Despite demobilization and the cancellation of war contracts, unemployment has been small. As was to be expected, there has been localized unemployment, mainly in centres which were heavily dependent on specialized war production. But the national demand for labour has continued at a high rate and the movement of workers to areas of labour shortage, though impeded by lack of housing, has somewhat eased the difficulties in other areas.

The flow of income has been well sustained. Because of the high level of employment and increasing rates of pay, payrolls will probably be even higher this year than last. Farm income, because of the good crops and of price increases on wheat, milk, butter, pork and beef, will be at least as high as, and perhaps higher than in 1945. Business earnings have been quite well maintained and the large number of new entrants in such businesses as retail trade, garages and service stations has added further to income payments and employment. Though the total of income payments is not quite up to last year because of the sharp cut in the pay of the armed forces, it is in excess of any year prior to 1944.

With income sustained close to the wartime peak, the demands of consumers have steadily and substantially increased. Canadians have been spending more of their incomes and in some cases drawing on past savings as the needs of war financing have declined and as more goods have become available. This is evident in almost every line of retail business even though the expansion in some lines has been seriously limited by lack of supplies. Every one of the fourteen types of retail business for which official statistics are published shows a higher level of dollar sales in the first nine months of 1946 than in the same period a year earlier, and the gains range from 5% for shoe stores to 76% for radio and electrical stores. For the whole year, it is probable that the total dollar amount of retail sales will be 15% or more in excess of 1945.

It is true that part of this increase in retail sales reflects higher prices—as everyone knows, there have been some significant increases in the prices of food, clothing, furniture and building materials. Nevertheless, there has been a very considerable increase in the quantity of goods and services purchased, and it is a fact that Canadians this year are buying for their own consumption and use a larger volume of goods and services than ever before. Production has been increasing despite industrial disputes and delays, and a marked further expansion in production is in the making which will soon be reaching the consumer, provided that industrial peace is maintained. Needless to say, this rather encouraging outlook is predicated upon an early settlement of the coal dispute in the United States. If that dispute continues for long, we face a difficult winter in regard to industrial fuel supplies and to production and employment in the durable goods industries.

Soaring Prices in the United States

Though Canada has been fortunate in comparison with other countries, it cannot yet be said that there is clear sailing ahead. In addition to the major political and economic questions which face all of the United Nations, we in Canada are faced with a very important economic problem arising out of the recent trend of affairs in the United States. Adding to the domestic pressures toward higher prices—the pressures from labour, business, and farmers for higher returns and the overall pressure of a demand exceeding current supplies—has come the powerful influence of

rapidly rising prices in the United States. During the war, the increase in American prices had not been much greater than in Canada. But since the end of the war, prices in the United States have risen very sharply as controls have been relaxed and now almost completely removed, and as prices adjusted themselves to the prevailing conditions of world-wide shortage and high American demand. Wholesale prices in the United States, which at the time of final victory in August 1945, were 31% over the pre-war average, exceeded that average by 67% in the second week of November, the latest date for which statistics are available. The prices of farm products, which at the end of the war were two-thirds higher, have since risen to a point 118% over the pre-war level. The same thing applies to raw materials which had increased by 50% odd by the close of hostilities, and early in November were almost double pre-war prices. The American price level has thus risen as much since the end of the war as during the whole period of the war itself, and the prices of farm products and raw materials have led the post-war advance and have increased relatively more than the prices of other goods and services.

Return of Canadian Dollar to Par

There has been no such violent rise in Canadian prices. The general wholesale price level which at the end of the war was 35% over the pre-war average is now about 42% above that average. While there have been a number of controlled increases in Canadian prices, price control has to a large extent been maintained, and Canada has not experienced any spectacular upswing in her general price structure. It has been apparent, however, that soaring prices in the United States have further increased the difficulty of maintaining reasonably stable conditions in Canada. This was explicitly stated and the problem directly attacked when the Minister of Finance last summer announced the return of the official rate on the Canadian dollar to parity with that of the United States. This action of increasing the foreign exchange value of our dollar eased the upward pressure on Canadian prices, of rising prices in the United States and in other countries. Imports cost approximately 10% less than would otherwise have been the case, and the difference between controlled Canadian prices for many important commodities and uncontrolled "world prices" was narrowed. The Canadian

dollar which was becoming seriously undervalued was returned to its traditional rate in New York at an opportune time.

While the return of our dollar to par cut approximately 10% off the price increases that would be required to adjust our price structure to that of the United States, American prices have increased sharply since that action was taken and today are relatively much higher than Canadian. There can be little doubt that an immediate removal of controls over prices, exports and distribution would result in a convulsive upswing in Canadian prices and costs toward the American level—an upswing which would have many undesirable consequences for the great majority of Canadians. At the same time, it should be recognized that we in this country cannot insulate ourselves completely or permanently from the course of events in the United States. Our proximity, our close economic and social ties, and the preponderant bulk of the American economy decree otherwise. While we can insulate ourselves up to a point if we are prepared to make the effort and put up with an intricate network of controls as we have done in recent years, it is well to remember that these controls are of purely emergency character, both in their nature and in the Dominion's power to exercise them. As I see it, therefore, adjustment to prices in the United States and elsewhere must come. The question is when and at what level.

The Question of U.S. Conditions

Is the time now appropriate for readjustment of our prices and costs in the light of American conditions? Do present prices in the United States provide any sort of stable basis for readjustment? Merely to put such questions is to indicate the answer. American conditions are far from stabilized. The sharp upswing in United States prices since the end of the war is quite similar in many of its characteristics to the violent increase after the first world war—an increase which proved to be anything but sustained and soundly based. The second world war even more than the first left in its wake a period of acute world-wide shortages—shortages of raw materials, foodstuffs, and finished goods. Reconversion to normal types of production takes time, and the rehabilitation of war-ravaged countries is a gradual and difficult process today, as it was a generation ago. In many respects the task of reconstruction is being

handled more effectively, but then there is more damage to repair and a much larger task of reconversion. Today, as after the first world war, it is the prices of foodstuffs and basic materials which have led the upswing in the price level. The sharp advances in such prices reflect the immediate and largely temporary lack of balance between supplies restricted by destruction and dislocation, and demands swollen by the urgent needs of war-ravaged countries and by the high incomes of such countries as the United States and Canada. There are points of difference, of course, but there are sufficient similarities to suggest caution. It is pertinent to enquire whether the American people have experienced an increase in income sufficiently large and sufficiently widespread to allow them to pay the extraordinary increases in the prices of food and other necessities which have occurred recently, and at the same time to absorb the much expanded supplies of household goods and automobiles at rising prices which are now being produced. It is pertinent to enquire when does consumer resistance develop to such increased prices for food, for clothing, and for housing. If everybody's income rose in strict proportion to the increase in prices; if spending were not being supported by the use of past savings and by a sharp reduction in current saving; if consumers and businessmen could be relied upon to continue to spend their money closely in accordance with the pattern of production being established by producers; if price increases were so balanced that they did not encourage major shifts in spending from one product or group of products to another, and if prices in other countries rose to a similar extent, it might be possible to have a sharp increase in prices without a following correction. But to assume such conditions would be plainly an excursion into fantasy and would have little relation to the realities. It is more appropriate to reflect on the recent gyrations in the price of cotton, which rose from 23c per pound at the end of the war to 40c a short time ago and has since fallen back to around 30c. It is more appropriate to ask whether the prices of American farm products can continue to maintain a level which is higher in relation to other prices than at almost any other time in the past. It is also appropriate to ask what are the consequences of raising, and raising again, the wages of some workers while production is delayed and while prices are lifted, and lifted again, to cover higher costs and produce higher profits.

Price Control in Canada

In my opinion, Canadians do not like the complex network of emergency controls which has been required to keep Canadian prices from rising sharply. Those controls were willingly accepted during the war itself, but as we move further into the post-war period, they encounter more and more resistance and involve more discrimination and injustice. Nevertheless, as I have pointed out, the price structure of the United States shows few indications of stability and does not appear to offer a sound basis for readjustment of Canadian prices. For Canada to permit a free adjustment of her prices to those now prevailing in the United States might not only cause a sudden and upsetting readjustment in our economy but would expose us to the apparent risk of downward change as American prices worked toward a more stable basis. If such an uncontrolled readjustment were made now, it should be recognized that our prices would go up suddenly and might later come down suddenly, as was the case after the first world war. A sharp upswing in prices and costs, followed by a downswing, would be an even more serious matter for Canada than for the United States. Our welfare depends much more on export trade, and a marked increase in our prices and costs at this critical juncture might mean the loss of important markets. People like to get high prices for their products, but nobody likes to get caught with a high level of costs in a weakening market. Canada has had marked success in keeping prices and costs relatively stable, and our competitive position in export markets is generally a healthy one. Moreover, because our prices have been more stable, we have some protection should prices fall in the United States. Such commodities as wheat, corn, barley, beef, pork and butter could fall quite considerably in the United States without dragging our farm price level down with them. Thus, until American prices show some indication of stability, it seems common sense and good business to continue our efforts to keep our prices and costs from rising sharply. While most people would favour being rid of the controls just as soon as feasible—and I sincerely hope that the time is not far distant when controls can be removed entirely—it is hard to avoid the conclusion that their complete removal at the present time would be dangerous. It would accentuate the risk of a later recession, it would produce economic and social disturbances, and it might cost Canada the loss of needed export business.

In making these comments, I do not mean to imply that a major setback or depression is coming in the United States. While such a possibility cannot be casually dismissed, there is reason to believe that the stimulus toward active business conditions in that country should continue for some time to come. There remains a great pent-up demand for housing, for automobiles, for roads and the like with very substantial buying power to back it up. There remains a heavy export demand for American goods and equipment, supported by large external loans. Sharp and uneven price increases are diminishing and changing the demand for goods and services, and some readjustment in the price structure may well occur. In my opinion, such a readjustment would be a healthy development. Were it to come soon, it should not result in more than a temporary correction, substantially improving the longer-term outlook for business in the United States and, indeed, for economic conditions in the whole world.

U.S. Conditions Important to World Trade

It should be frankly recognized that the establishment of a relatively free and expanding international system of trade depends in large measure on the ability of the great trading nations, and particularly the United States, to maintain a reasonable degree of stability in their own economies. Few of us can forget what the depression of the 'thirties did to break down the natural and mutually advantageous flow of trade and to foster friction and international differences. While I do not believe that we are threatened with a repetition of this unhappy course of events—indeed there are many conditions which favour expanding activity for some years—it is well that the importance of policies designed to prevent depressions is being more and more emphasized in international discussions concerning trade and financial matters. Depressions are usually the result of lack of foresight, or selfishness, or ignorance, or perhaps all three. While corrections and readjustments are inevitable, surely it is not beyond the wit of man to prevent readjustments from developing into the sort of cumulative and long sustained deflation experienced in the 'thirties. By checking excesses on the upgrade and by prompt and well directed policies on the downgrade, it should be possible to avoid the kind of conditions that did so much to disrupt international trade and welfare in the decade prior to the war.

Progress in World Reconstruction

Considerable progress has been made in repairing the ravages of war and in establishing more orderly economic conditions. The United States and Canada have made substantial trade and reconstruction loans to a number of countries in Europe and elsewhere. The International Bank for Reconstruction and Development is commencing operations and considering applications for very substantial loans made by France, Holland, Poland and Denmark. The Monetary Fund has been organized, and the United States, Great Britain, Canada, and certain other countries have declared their rates of exchange for consideration by the Fund. While other rates will be more difficult to establish because of the disorganization of normal economic activities in the countries concerned, the determination of the most important relationship—that between the U.S. dollar and the pound sterling—will be a great step forward. That Britain has been able and prepared to throw her weight into the effort of establishing a general system of currency and exchange is in large measure the result of the financial arrangements which she reached individually with the United States and with Canada. While the process of concluding the loan from the United States was a long and trying one, and while there may be criticism as to the terms and the amount, it is well to reflect that the loan has gone through and that the sterling problem, which would otherwise have frustrated and probably brought to nought the best-intentioned efforts to re-establish a comparatively free system of trade and exchange, is now capable of solution. In contrast with the situation after the first world war when the question of inter-allied war debts upset economic progress for more than a decade, that problem has been cleared up and large *productive* loans have been made by the United States and Canada in less than a year after the war's end.

International Trade Agreement Vital

An encouraging start has been made, but much remains to be done. Preliminary discussions have been going forward on the problems of reducing tariffs, of removing restrictions to trade and of establishing the rules and practice of a freer international system. The difficulties and complexities of working out appropriate arrangements are admittedly staggering. It is not just a question of reducing tariffs—which in itself would be difficult enough. Quota systems,

preferences, exchange controls and arrangements, state trading, government subsidies, administrative practices to do with definitions, health standards and so on, and cartel arrangements are all part of the same picture. If the new arrangements are to work, all the parts have to be taken into account and standards have to be established and compromises arrived at. Probably for the first time, a really serious attempt is being made to deal with the whole problem rather than with some parts of it. Workable agreements will require imagination and a willingness to translate broad principles into concessions and changes in practices which have been long established in particular countries. But great as the difficulties are, they must be surmounted, and surmounted soon, if an efficient and expanding system of international trade is to be established. In the present atmosphere of change, bold steps are practicable. They will become less practicable if particular countries settle down and accept as inevitable the altered conditions resulting from the war, and they might become out of the question if markets contract and serious unemployment develops. Indeed, failure or long delay in reaching such agreements could readily contribute to the sort of unfavourable economic conditions in which agreement might become impracticable.

The difficulties of establishing conditions of order and co-operation at home and in the international sphere, of laying the foundations of peaceful expansion, are clearly very great. In these few remarks I have referred to some of the difficulties of maintaining orderly conditions in Canada, and to a few of the problems of establishing workable standards for international economics. The path head is not an easy one. Its greatest challenge is the task of reaching understanding between nations, of bridging admittedly great political differences in the common interest. The slogan, "One World or None", is not just a clever, frightening phrase: it is too close to the cold, practical reality for that. However, if we thought only in terms of trials and tribulations, there would be few who would not succumb to a fatalistic outlook. Let us never forget that there is an approach which is both positive and constructive. We are not merely engaged in trying to avoid perils and difficulties; we are attempting at the same time to establish conditions which would lay a basis for expansion and world welfare beyond anything approached in the past. Perhaps the greatest threat to the achieve-

ment of a better world is an attitude of indifference and cynicism—a backing away from complexities, a failure to see the opportunities because of the difficulties obscuring them. During the war, Canadians have shown what a comparatively small people can do through hard work, determination and willingness to co-operate and to reach reasonable compromises. Let us, therefore, renew our efforts as individuals and as a nation to improve our relations at home and with other countries, and to contribute as best we can to better world conditions. While it is clear our contribution cannot be *decisive*, we can, and should, continue to make it a very important one. It is well to reflect that we are one of the most fortunate peoples in the world and that with our good fortune and great opportunities go equally great responsibilities."

It was moved by Mr. H. D. Burns, seconded by Hon. F. B. McCurdy, P.C., that the Report of the Directors be adopted, that the appropriations therein be confirmed and that the Report, together with the Statement of Liabilities and Assets and Profit and Loss Account, be printed and distributed to the Shareholders.

Before putting the motion to adopt the Report to the meeting, the Chairman asked Mr. H. L. Enman, the General Manager, to address the meeting.

MR. ENMAN SPOKE AS FOLLOWS:

"You have before you the Bank's Statement for our past year of operations. On this occasion, I should like to discuss the main developments shown in the Statement, developments which reflect changes in business, in Government financing, and in the public's cash resources. Changes in our Statement as in those of the other chartered banks throw a good deal of light on economic and financial trends and sometimes raise major questions of economic policy. Frankly, I do not think that bank statements are sufficiently studied from this point of view. Too often, they are regarded as the dull and complicated statements of large financial institutions of interest only to the shareholders and to a limited number of people in the financial community.

In point of fact there is nothing very complicated about a bank statement. There are quite a number of items, some of which have

rather impressive names. You can get the essentials of the picture, however, by considering only four major items and their more detailed subdivisions—three items on the "Assets" side, Loans, Investments and Cash, and on the "Liabilities" side, the Deposits against which these assets are held. Loans and Investments change in accordance with business and government requirements for financing, and Deposits vary largely in accordance with the net changes in the total of Loans and Investments.

Our Statement this year shows some very striking changes, almost all in an upward direction. Loans have recorded the first really substantial increase in many years, as peacetime production and commerce have expanded, and as government-financed war production has been eliminated. Investments have continued to increase sharply, because of the requirements of the Dominion Government in financing the clean-up costs of war and the large loans to other countries, and because of the sale of Government bonds by individuals and corporations to obtain funds for spending and business purposes. The result is that our Total Assets showed a sharp increase last year and, at nearly $700 millions, now stand at more than twice the pre-war level. The other side of the picture is a correspondingly sharp increase in our Deposits which is indicative of a general increase of bank deposits in Canada to a level notably higher than the peak at the end of the war.

Deposits at Record Level

At the annual meeting last year, I said that bank deposits were likely to remain at a high level and perhaps increase to even higher figures. That expectation has thus far been borne out: indeed, the increase in deposits during the past twelve months is in my view so substantial as to raise important questions as to future monetary policy. We should realize that the increase in deposits was associated in large measure with the further acquisition of Government securities by the banks which in turn reflected the central bank's policies. We should realize, too, that the scale of the banks' security purchases contributed further to easy money conditions and to increasing capital values. The marked further increase in bank deposits is thus closely related to Government financial policy and represents a striking enlargement in the amount of liquid funds in the hands of the general public and business. I shall have more to say on this

subject in reviewing our investment position.

In our own case, Deposits increased by $72 millions over the last banking year to a total of $603 millions. Both demand and notice deposits increased, but the greatest expansion, as in the previous year, was in notice deposits or deposits bearing interest. For two years, notice deposits, which represent mainly personal savings, have been expanding very rapidly—more rapidly than demand deposits which are largely business balances. There appears to be an increasing disposition on the part of the public to hold savings in the highly liquid form of bank deposits. This may in part reflect the desire of many people to have their funds in a readily expendable form looking toward the purchase of such things as houses, automobiles or home appliances. It does mean that there is a great deal of money which could immediately be used to purchase additional goods or to buy stocks, other securities, or real estate.

The issue of the new Canada Savings Bonds will, of course, lead to some reduction in notice deposits. They are obviously a most attractive security as the success of the loan without any intensive selling campaign testifies. It was certainly desirable to encourage continued savings through regular pay deductions, both because the habit of regular saving is a good one, and because of the continued strong pressures toward inflation. At the same time, I think it should be recognized that the guarantee of redemption at face value on demand is a striking new departure in Government financing. The holder obtains most of the advantages of the liquidity of short-term securities and gets a rate of return which is better than the yield on long-term bonds. It is perfectly clear that such a favourable offer should, so far as practicable, be limited to its special purpose of encouraging regular saving, and this, of course, was the reason for restricting purchases to individuals in amounts not to exceed $2,000 per person. One may question the adequacy of such a restriction, since it is clear that there have been many subscriptions which in fact represented merely the exchange of Victory Bonds for Canada Savings Bonds. But however that may be, I am much more inclined to question the desirability of leaving such an issue on tap. Those who wish to apply regular savings to the purchase of these Bonds have had the opportunity to do so. It is questionable whether leaving the issue open will add much further to genuine

saving and it may easily lead to further exchange of Victory Bonds which is surely not the purpose for which the issue was made.

Before turning to our loan position, I should note the agreement reached between the Government and the chartered banks with regard to personal savings deposits. The essence of the agreement is that the banks have undertaken to limit their holdings of Dominion Bonds to the equivalent of 90% of their personal savings deposits and have further agreed to operate their savings business on a limited margin over costs. In short, the banks have given an undertaking that they will limit their returns on Dominion bond holdings so as not to obtain more than an agreed margin over the cost of paying interest on and operating savings accounts. Contrary to some suggestions, the agreement is not fundamentally an anti-inflation measure, since the total holdings of Dominion bonds by the banks are very considerably less than 90% of their personal savings deposits. It does, however, put a limit on the acquisition of Dominion bonds and it provides the public with a definite assurance that savings deposits will continue to be handled at a very reasonable margin over cost.

An Encouraging Increase in Current Loans

Turning to the "Assets" side of the Statement, the most encouraging development is the notable increase in Current Loans. Our Current Loans in Canada, at about $136 millions, are $31 millions higher than at the preceding year-end. Call Loans in Canada are down materially, by about $9 millions, in line with the reduced activity in the security markets, and there was also some decline in loans to provincial and local governments. The improvement in Current Loans is all the more significant since there was a sharp decline in wheat loans resulting from the sale of the remaining wheat surplus. If wheat loans are excluded, our current loans have increased by almost 50% over the past banking year. This sounds like a big increase and it is a substantial one. But it is well to remember that loans were extremely low at the end of the war and that the increase is the perfectly natural reflection of the changeover from government-financed war production to peacetime pursuits.

While many businesses, and especially some of the larger firms, are still in a strong liquid position, I think that the outlook for commercial lending is reasonably good. Commercial loans have a

very important part to play in facilitating a widespread and healthy expansion in economic activity. Our Bank, like other banks, is in a position to extend credit over a wider field and for longer terms than was the case some time ago. The tradition that bank loans should be confined to very short-term loans for working capital purposes was based on the necessity of liquidity in the days when loans comprised the bulk of banking assets. Those days have passed. Such a large proportion of banking assets are in short-term and marketable securities that the sphere of bank credit can be and has been widened with safety to depositors. In this connection, it is worth noting that despite the recent increase in Current Loans, our total Quick Assets are still equivalent to almost 75% of our Public Liabilities.

Bank loans are contributing to an important extent to the building up of new businesses and to the expansion and development of small businesses. Bank loans should contribute materially to business opportunity and to a healthy state of business competition, both of which are so important to our future economic welfare. The banks are well equipped to give careful and individual consideration to the needs of small businesses, and I can assure you that this Bank is strongly conscious of its responsibilities and opportunities in this regard.

Economic Expansion and Immigration

Canadians have shown great imagination and initiative during the war. We need and we must use these qualities in peace. We need more enterprise applied to our business life. We want an expanding and forward-looking attitude worthy of our opportunities and our traditions.

In this connection, let me refer to a broad subject which I believe is receiving much less serious attention than it deserves—the subject of immigration. In my opinion, a country with Canada's resources and possibilities needs and can absorb more people and can benefit greatly from the resulting influx of skills and ideas. I cannot pretend to be an expert on this subject and to suggest how many people could be usefully absorbed. But I do think that we should allow and encourage other people to enter our country to become citizens—a controlled and selective influx to be sure and not merely token quotas. It seems to me that we have gravely neglected the subject of immigration and have allowed it to become a political

and sectional football. We too often look at the problem in terms of group, racial, religious and special interests and we have no general policy, no framework within which to compose our differing views. Governments and political parties are inclined to avoid committing themselves to a clear-cut program. Canada has done something in regard to taking political refugees and could do a good deal more. But this deals with a temporary condition only, and we should have a policy of a more lasting character. As a forward-looking and expanding country, which in comparison with most other countries is underpopulated in relation to its resources and potentialities, we should give serious thought to the question of immigration. Otherwise, we shall not be discharging our responsibilities to others and we shall be missing a great opportunity to improve our own welfare.

Government Borrowing and Bank Investments

Returning to the Bank's Statement, you will observe that total Investments are about $360 millions—an increase of some $51 millions during the banking year. This is a very large increase and represents a continuation of the rapid rate of expansion characteristic of the last three years of the war. It differs, however, from wartime increases in that the short-term Government financing by the banks has been somewhat reduced. The amount of Deposit Certificates outstanding—the major instrument of short-term Government borrowing from the banks—fell from a peak of $1,340 millions in October, 1945, to $800 millions in October last, and this Bank's share of such financing has been proportionately reduced. However, the Bank's portfolio of Dominion bonds has increased very substantially, particularly in maturities exceeding two years, and this increase accounts for the bulk of the advance in total investments.

Whether or not the investment holdings of the banks will continue to increase, carrying bank deposits up with them, depends largely on the Government's financial policy. As far as one can see, the current budget of the Dominion Government is approaching a balance. The current deficit should not be large in the coming year and borrowing needs should be mainly for the purpose of financing export credits and loans to other countries. Just how much the Government's financial requirements will be is difficult to estimate. But they will clearly be much smaller than in recent

years and may be within the capacity of the public and the non-banking institutions to absorb. If this should prove to be the case, it is to be hoped that the Government will take the opportunity of reducing its still heavy short-term borrowing from the banks with a view to levelling off and perhaps even reducing to some moderate extent the huge volume of bank deposits.

The point I wish to make really boils down to this. For many years we have had an easy money policy and during the past twelve months in particular we have seen the long-term rate on Dominion bonds fall from about 2.9% to 2.6%. Lower interest rates have spread outward from Dominion securities to the provinces and municipalities, to corporations and so on. The other side of this picture is a pronounced increase in capital values, not only for the bonds of governments and corporations but also for common stocks, land, buildings, and other fixed assets. While the great rise in the prices of existing housing is mainly the reflection of the acute shortage, it has been further accentuated by easy money conditions. Now it seems to me that the desirability of stable interest rates is widely accepted and there are relatively few people who would really like to see a sharp increase in the whole interest rate structure. We need to maintain a high rate of capital investment in this country in order to sustain a satisfactory level of employment and income, and it is clear that a sharp rise in interest rates would not promote this important objective. However, let us remember that we have today a high level of employment and a high rate of investment with many desirable and useful projects ahead of us. To maintain the pressure of easy money, of surplus funds, in these circumstances would tend to encourage the bidding up of capital values unduly and dangerously, and to increase the risk of later declines.

Business in the Caribbean Area

Our foreign business has shown a material expansion during the past year, the most notable evidence of which is the rise in our Current Loans Abroad. To a large degree this reflects the economic activity of the West Indies, an area in which we were the pioneer Canadian bank and which continues as the most important scene of our foreign operations. Here, as you know, sugar is a basic industry, and its war-time prosperity—the result of increased crops and higher prices—has been a major factor in a general improve-

ment in business, while the better shipping situation since the war's end, and higher prices, have improved conditions for the producers of other products, like bananas and citrus fruits, which had been affected by wartime difficulties. World demand for sugar is still much in excess of supply, and the fact that prices for the major part of the crop have been controlled by bulk purchase arrangements with the United States and Great Britain has thus far prevented a repetition of the wild boom which occurred after the first world war.

During the war Canada's trade with Caribbean countries showed a marked expansion. This area—including the northern coast of South America—has long been an important source of our sugar and petroleum imports and of bauxite for our aluminum industry, and it has supplied us also with such items as bananas, citrus fruits, molasses and rum. In turn, we have supplied foodstuffs, lumber and a variety of manufactured goods. Under wartime conditions Canada was called upon to provide vital supplies formerly imported from overseas. A good deal of this expansion was in our staple exports. We became the principal supplier of food to the British West Indies—mainly such items as wheat flour, milk products and fish. We also greatly expanded our exports of manufactured goods, especially those of cotton and rayon fabrics and wearing apparel, metal goods, fertilizers, paints and medicinal preparations. This two-way flow of trade is a healthy and desirable development. While some of it is no doubt of a temporary nature, prospects are good for a substantially greater volume of business than pre-war.

Changes in Taxation

A number of welcome reductions in Dominion income taxes will come into effect at the beginning of the New Year. For corporations, the drop in the minimum rate from 40% to 30% is an important step toward increasing incentives and encouraging new enterprise and expansion. Though the Excess Profits Tax is to be reduced from 20% to 15%, it is unfortunate that this type of tax remains and it is to be hoped that it will be removed in the not distant future. In this connection, of course, the problem of Dominion-Provincial financial relations remains unsolved, and the lack of agreement and the apparent difficulties in reaching reasonable compromises are matters of major concern to our economic welfare. Corporation taxes are high in any event and involve double taxation of all corporate

earnings which are paid to shareholders, first as corporate income and then as personal income in the hands of the recipients. Without a reasonable working agreement between the Dominion and Provinces, such taxes are likely to be higher than necessary and their incidence unfair and discriminatory.

For individuals, the increase in exemptions and the simplification and moderate reduction in rates are desirable changes. They will relieve a large number of people from the necessity of paying income tax and will provide needed tax relief particularly at the lower and moderate income levels. I am, however, somewhat inclined to question the timing of the change in taxation practice in regard to married women. It is true that married women who were working were receiving special consideration in regard to income tax which could scarcely be justified as a permanent part of the tax law. It is also true that the effects of the change have been seriously exaggerated and frequently misunderstood by the people affected. The fact remains, however, that the removal of this special tax concession has reduced the desire of many women to continue in business occupations, with serious effects in the present circumstances of labour shortage.

Earnings and the Pension Fund

The developments in our domestic and foreign business have contributed to a moderate increase in our net earnings after taxation during the banking year. The Profit and Loss Statement before you shows that the amount available for distribution, after providing for Dominion Government taxes of $1,614,000, amounted to $1,588,000, an increase of $284,000 over the corresponding figure for last year. It will be noted that there is some change in the manner in which this Statement is presented and that the Bank's contribution to the Officers' Pension Fund has been treated as an operating expense before arriving at net profits.

Actuarial studies have disclosed that the income of the Officers' Pension Fund, in common with most other pension funds, has not been sufficient to avoid an actuarial deficiency. This condition has been brought about by diminishing earnings from the assets of the fund as a result of a progressive decline in interest rates.

It was considered necessary that the Bank should correct the deficiency in the Officers' Pension Fund by making special payments

over a period of years out of earnings before taxes, as permitted by the Income War Tax Act. Consequently, a Resolution will be submitted at this meeting asking for your approval of the contribution made to the Fund for the fiscal year ended October 31st, 1946. To provide for necessary contributions by the Bank to the Fund in future years, an amendment to Shareholders' By-Law No. 10 will be submitted to you for approval.

Personnel

The majority of our staff who were serving in the Armed Forces have now returned. Of the 950 men and women who were on military service, 646 have come back to the Bank. There were 81 who will never return, who gave their lives for their country, and we shall always be conscious of our great debt to them. We are highly gratified that so many who enlisted have come back to work with us. As I said last year, special arrangements were made to reassimilate returned personnel, and salaries were increased on the basis of advances that would have been received in the ordinary course had these men been continuously employed in the Bank. It is scarcely necessary for me to say that the returned men are contributing greatly and will contribute even more in the future to the Bank's efficiency and development. Their wartime experience and service is not in any sense lost time. The qualities of courage and leadership which it developed are highly desirable attributes and will be of great benefit to them and to their progress in the Bank.

There are 3,665 men and women at present employed in the Bank's work. This is an increase of 357 during the past year, which consists mainly of men returned from military duty. We have 1,541 women on the staff as compared with 1,837 a year ago and 487 at the outbreak of the war.

The past year was a busy one for the staff which responded in its usual loyal and efficient manner to a heavy burden of work often under rather difficult conditions. The return of experienced men from war service will contribute to better working conditions in future and to the relief of the undue burden which has unavoidably fallen upon some of our personnel. The Bank is strongly conscious of its obligations to its staff. The additional contributions to the Pension Fund are a very important step in assuring the security of our staff and I am sure you will agree as to the necessity of this

action. But I should also like to say that I believe the Bank offers a good deal more than security to its loyal workers. The outlook is good and the possibilities for advancement open to efficient employees are great. A banking career offers interesting work with good opportunities and unusual security for those who make it their means of livelihood—opportunities which are probably not as widely appreciated as they might be."

The motion to adopt the Report of the Directors was then put to the meeting by the Chairman and passed unanimously.

It was moved by Mr. Clifford L. Torey, C.A., seconded by Miss M. Grace Wambolt, and carried:

That Mr. William Leslie Lachlan McDonald, C.A., of the firm of Price, Waterhouse & Company, and Mr. Geoffrey Teignmouth Clarkson, F.C.A., of the firm of Clarkson, Gordon and Company, be appointed auditors for the ensuing year under Section 55 of The Bank Act, that an appropriation not to exceed $18,000 be hereby authorized for their remuneration, to be divided between them in such manner as the Directors shall consider just and reasonable, and that one ballot be cast.

The ballot having been taken and the Scrutineers having reported it in favour of the foregoing resolution, the Chairman declared the gentlemen named duly appointed as Auditors, and the appropriation for their remuneration authorized as stated.

It was moved by Mr. A. B. Wiswell, seconded by Mr. E. L. MacDonald, and carried:

That Shareholders' By-law No. 3 be and the same is hereby repealed and that the following be and the same is hereby enacted in lieu thereof, and that one ballot be cast:

3. The number of the Directors and the quorum thereof shall be regulated as follows, namely:

(a) The number of the Directors shall not be less than twenty-three and not more than twenty-five;

(b) Until and subject to the extent to which the provisions of clause (c) hereof shall become effective, the number of Directors shall be twenty-three;

(c) From time to time, upon the passing of a resolution of the Board of Directors declaring that it is expedient that this clause (c) should take effect to the extent of so many additional Directors as the resolution may specify, the number of the Board shall be and it is hereby increased by the number so specified, and the vacancy or vacancies in the Board thereby created may be filled in accordance with the provisions of Shareholders' By-law No. 6, provided that in no event shall the total number of the Directors exceed twenty-five;

(d) Three of the Directors shall constitute a quorum.

The ballot having been taken and the Scrutineers having reported it in favour of the foregoing resolution, the Chairman declared that Shareholders' By-law No. 3 had been repealed and that a new By-law No. 3 had been enacted in lieu thereof in terms of that contained in the foregoing resolution.

It was moved by Mr. C. H. Gorham, seconded by Mr. Eric McN. Grant, and carried:

That the contributions to the Officers' Pension Fund made by the Directors during the fiscal year 1945-46 be and the same are hereby approved, ratified and confirmed, and that one ballot be cast.

The ballot having been taken and the Scrutineers having reported it in favour of the foregoing resolution, the Chairman declared that the contributions to the Officers' Pension Fund made by the Directors during the fiscal year 1945-46 had been duly approved, ratified and confirmed.

It was moved by Mr. L. V. Smith, seconded by Mr. R. B. Colwell, and carried:

That Shareholders' By-law No. 10 be and the same is hereby amended by striking out the words "a sum not exceeding eight per cent of the aggregate salaries of all the officers of the Bank during the period in respect of which said contribution shall be made" and inserting in lieu thereof the words "from time to time such sums as they may by resolution of the Board appropriate for that purpose", so that the first sentence of the said By-law shall read as follows:

"The Directors shall be and are hereby authorized to establish and carry on a Pension Fund for the employees of the Bank and their wives and families, and to contribute to the said Fund out of the funds of the Bank from time to time such sums as they may by resolution of the Board appropriate for that purpose and the Directors are authorized to carry on such Fund in such manner and subject to such rules and regulations as to the Directors may seem fit . . ."

and that one ballot be cast.

The ballot having been taken and the Scrutineers having reported it in favour of the foregoing resolution, the Chairman declared that Shareholders' By-law No. 10 had been amended in accordance with the terms of the foregoing resolution.

It was moved by Mr. Norman T. Avard, seconded by Mr. R. J. R. Nelson, and carried:

That the following be, and they are hereby nominated as Directors for the ensuing year, that a vote be taken for their election, and that one ballot be cast:

H. D. Burns, Esq., Toronto, Ont.; Hon. William D. Ross, Toronto, Ont.; Hon. F. B. McCurdy, P.C., Halifax, N.S.; E. Crockett, Esq., Toronto, Ont.; W. W. White, Esq., M.D., Saint John, N.B.; S. J. Moore, Esq., Toronto, Ont.; Russell Blackburn, Esq., Ottawa, Ont.; F. P. Starr, Esq., Saint John, N.B.; Sidney T. Smith, Esq., Winnipeg, Man.; Hon. Leighton McCarthy, P.C., K.C., LL.D., Toronto, Ont.; W. M. Birks, Esq., C.B.E., LL.D., Montreal, Que.; A. L. Ellsworth, Esq., Toronto, Ont.; James Y. Murdoch, Esq., O.B.E., K.C., LL.D., Toronto, Ont.; Colonel J. D. Fraser, Ottawa, Ont.; L. A. Lovett, Esq., K.C., Annapolis Royal, N.S.; Christopher Spencer, Esq., C.B.E., Vancouver, B.C.; Brig.-General C. H. Maclaren, C.M.G., D.S.O., Ottawa, Ont.; J. G. MacDougall, Esq., M.D., C.M., Halifax, N.S.; J. A. Kilpatrick, Esq., Montreal, Que. and Toronto, Ont.; W. A. Winfield, Esq., Halifax, N.S.; W. C. Harris, Esq., Toronto, Ont.; W. J. Hastie, Esq., Toronto, Ont.; Hugh Mackay, Esq., Rothesay, N.B.

The ballot having been taken and the Scrutineers having reported it in favour of the foregoing resolution, the Chairman declared the gentlemen named duly elected Directors for the ensuing year.

In moving the foregoing resolution, Mr. Avard said he felt sure that he was voicing the unanimous opinion of the shareholders when he expressed their pleasure in the splendid financial statement presented this year. The gratifying progress made in all departments of the Bank's activities was illustrated by the fact that the assets of the Bank had more than doubled during the war years and he wished to add his congratulations on this accomplishment.

Mr. Avard said that such progress had been built upon the sound policy designed by successive Boards of Directors which had guided the affairs of the Bank for 115 years and had succeeded in bringing it to the position of importance it now holds.

In concluding, Mr. Avard said that a perusal of the record of the past year's operations indicated that the Bank had successfully overcome the difficulties of the first year of the post-war reconstruction period and expressed the implicit confidence which the shareholders continued to have in the Board of Directors.

It was moved by Colonel J. D. Fraser, seconded by Mr. W. A. Winfield, and carried:

That in accordance with Section 53, Sub-section 5, of The Bank Act, Mr. Herbert D. Burns, or failing him, Mr. Horace L. Enman, be appointed to act as proxy for the Bank at any and all Shareholders' meetings of the Empire Realty Company Limited, and that one ballot be cast.

The ballot having been taken, and the Scrutineers having reported it in favour of the foregoing resolution, the Chairman declared the gentlemen named duly appointed to act as proxy for the Bank at any and all shareholders' meetings of the Empire Realty Company Limited, in accordance with Section 53, Sub-section 5 of The Bank Act.

It was moved by Mr. J. W. Godfrey, K.C., and seconded by Mr. Charles C. Mitchell, that the thanks of the shareholders be tendered to the General Manager, the executive officers and staff for their efficient and loyal service during the past year.

In moving the foregoing resolution, Mr. Godfrey said that people, and shareholders in particular, were often very slow to express thanks and appreciation, but that when shareholders are in meeting assembled it is only fit and proper that they should

place on record their appreciation of the services rendered faithfully and well by the executive officers and staff. The past seven years, the first six of which had been years of war, could not, Mr. Godfrey remarked, be regarded as normal years and while the war had ended over a year ago, the responsibilities of those charged with the administration of financial institutions had not been lessened, but rather increased. During the past year those officers serving in the highest capacities in the service to those in the most humble had given unstintingly of their time and effort and while throughout the country there had been serious labour stoppages and slowdowns, the staff of the Bank had continued to render uninterrupted service, for which they are deserving of the wholehearted expression of thanks on the part of the shareholders.

The motion was carried unanimously.

In replying to this resolution, Mr. R. L. Dales, Supervisor of Eastern Branches, said that it afforded him great pleasure to convey to the shareholders the thanks of the General Manager, executive officers, and members of the staff of the Bank for the kind expression of appreciation of their services rendered during the year. The year 1946, Mr. Dales said, had seen many transfers of staff throughout the branches, with consequent increased opportunity for broadening their experience and knowledge of business conditions; in the same interval large numbers of the staff formerly on active service—many with outstanding military records—had returned to duty in the Bank and he had been gratified from actual observation to note the keenness with which they resumed their work and their desire to render acceptable service. It augurs well for the future, Mr. Dales concluded, that such qualities of loyalty and devotion to duty, combined with ambition to make the best of their opportunities and to advance in the service, should characterize those upon whom responsibilities will increase in years to come.

The proceedings then terminated.

At a meeting of the newly elected Directors held at the conclusion of the Annual Meeting of Shareholders, Mr. H. D. Burns was elected President, Hon. W. D. Ross and Hon. F. B. McCurdy, P.C., were elected Vice-Presidents, and Mr. E. Crockett was elected Executive Vice-President.

LIST OF BRANCHES

NOVA SCOTIA

Branch	*Manager*
AMHERST	C. B. Simmons
ANNAPOLIS ROYAL	A. G. Macdonald
ANTIGONISH	J. S. Taylor
AYLESFORD	F. Ormrod
BEDFORD	R. E. Tower
BRIDGETOWN	H. R. Flewwelling
CALEDONIA (Queen's Co.)	A. W. Farwell
CANNING	A. S. MacKenzie
CHESTER	E. L. Piggott
DARTMOUTH	H. N. Hubley
DIGBY	H. A. Fillmore
FREEPORT	M. H. Gilmore
GLACE BAY	H. M. Carty
HALIFAX	F. W. Nicks R. C. Stoddard, *Asst.*
Coburg and Robie	N. W. R. Hamilton
North and Agricola	R. V. Hickson
KENNETCOOK	J. H. Wiles
KENTVILLE	M. D. McDonald
LIVERPOOL	R. B. W. Ward
NEW GLASGOW	W. E. Starrak G. J. Touchie, *Asst.*
NEW WATERFORD	F. T. McLellan
NORTH SYDNEY	H. J. Johnson
OXFORD	T. Wilson
PICTOU	J. F. Palfrey
PUGWASH	H. O. Connell
RIVER HEBERT	W. E. Benson
RIVER JOHN	J. E. Langille
SHEET HARBOUR	E. H. Acteson
STELLARTON	H. B. MacKean
SYDNEY	J. H. Rattee
SYDNEY MINES	W. S. Shields
TATAMAGOUCHE	E. N. Atkinson
TRURO	T. W. Mitton
WESTVILLE	A. Lyons
WINDSOR	J. F. Gill
YARMOUTH	G. M. Schurman

NEW BRUNSWICK

ALBERT	J. H. Mace
BATH	J. G. Wicks
BLACK'S HARBOUR	J. M. Hayman
CAMPBELLTON	H. F. Cunningham
CHATHAM	J. L. Jelly
CHIPMAN	G. G. Bennett
DOAKTOWN	E. S. Dibb
EAST FLORENCEVILLE	H. W. Sainthill
FAIRVILLE	S. H. Crockett
FREDERICTON	J. B. Tarlton R. B. Hall, *Asst.*
GAGETOWN	J. W. Barrigar
GRAND MANAN	J. C. Butt

NEW BRUNSWICK—*Continued*

Branch	*Manager*
HAMPTON	C. L. Flemming
HILLSBOROUGH	A. T. Jost
JACQUET RIVER	D. I. Chetwynd
McADAM	F. H. Estabrooks
MINTO	G. A. Mowat
MONCTON	H. G. Dustan
St. George St.	F. W. Chenhall
NEWCASTLE	E. J. Lutz
PETITCODIAC	L. R. Crammond
PORT ELGIN	J. R. Hughes
SACKVILLE	J. R. Curry
SAINT JOHN	W. A. Clark T. L. C. McMaster, *Asst.*
Charlotte Street	M. A. Girvan G. H. Beresford, *Asst.*
Haymarket Square	T. H. Miller
Mill and Paradise Row	H. E. Boyles
North End	H. H. Burton
West Saint John	G. B. Clarkson
ST. ANDREWS	R. E. Macdonald
ST. GEORGE	W. C. Hawker
ST. STEPHEN	W. M. Bruce
SHIPPEGAN	J. A. Seale
SUSSEX	W. A. McLaggan
WOODSTOCK	E. Clark

PRINCE EDWARD ISLAND

ALBANY	A. A. Niles, *Acting*
CHARLOTTETOWN	W. R. Adams C. A. Lumsden, *Asst.*
KENSINGTON	F. R. Nauss
MONTAGUE	D. Samson
MORELL	J. G. Black
O'LEARY	J. T. Holder
SUMMERSIDE	W. Hayward
VICTORIA	S. J. Dunsford

QUEBEC

BROWNSBURG	A. Bourgon
BUCKINGHAM	W. Redpath
CAMPBELL'S BAY	A. W. Pequegnat
FORT COULONGE	A. O. Gervais
GRENVILLE	J. R. Monty
HULL	A. M. Pinard
LACHUTE	W. M. Steeves
MANIWAKI	A. Menard
MONTREAL	A. E. Griffin B. Howard, *Asst.* G. C. Hitchman, *Asst.*
Crown Industrial Bldg.	W. E. Boyne
Park and Fairmount	J. G. H. Sutherland
St. Catherine and Peel	R. P. Webb J. D. Hubbert, *Asst.*

QUEBEC—*Continued*

MONTREAL—*Continued*

St. Catherine and St. Alexander: E. I. Rodgers, C. R. Tibert, *Asst.*
Sherbrooke and Harvard: A. T. Bell
Sherbrooke and Greene (Westmount): C. H. Cameron

NEW CARLISLE: E. E. Owen
NEW RICHMOND: V. F. Sedgewick
PORT DANIEL: D. .C Holland
QUEBEC: C. A. Kelly
ST. ANDREWS EAST: J. O. Bridge
SHERBROOKE: H. I. Langille

ONTARIO

ACTON: W. K. Graham
AGINCOURT: R. A. S. Elliot
ALEXANDRIA: W. W. W. Dean
ARNPRIOR: R. L. Guselle
AVONMORE: D. C. Hamilton
BANCROFT: J. W. Hahn
BARRIE: W. J. V. Routliffe
BEACHBURG: H. D. MacMillan
BEARDMORE: G. M. Hamilton
BELMONT: C. F. Hibbard
BRACEBRIDGE: I. Y. Murphy
BRANTFORD: John Ross
BRIGDEN: F. C. Marshall
BROCKVILLE: W. E. MacDonald
CAMPBELLVILLE: F. E. Quinlan
CARLETON PLACE: W. C. Cross
CARP: A. E. Smith
CHESTERVILLE: H. Brown
COBDEN: F. A. McCallum
COBOURG: C. P. Jones
COCHRANE: E. E. King
CONSECON: G. H. Eager
CORNWALL: J. H. Rector
FORT WILLIAM: M. K. Pugsley
GUELPH: G. W. G. Williamson
HAILEYBURY: G. S. Jourdan
HAMILTON: F. D. Dunn, J. A. Robertson, *Asst.*
King and Sherman: W. F. Smith
HAWKESBURY: S. Blais
KEMPTVILLE: R. H. Dewar
KENORA: W. L. Watson
KINGSTON: W. D. Stewart
KITCHENER: J. Macdonald
LANARK: G. A. Blackie
LEASIDE: J. A. Thornbury
LINWOOD: F. W. Hill
LONDON: D. R. Platt
MALTON: G. C. Springer, *Acting*
MARKHAM: G. A. Stewart
MARTINTOWN: F. G. McKimm
MATTAWA: J. W. B. Thompson
MAXVILLE: R. B. Buchan

ONTARIO—*Continued*

MERRITTON: A. L. Wyant
MILTON: H. C. Morris
MILVERTON: C. G. Matthews
MOUNT DENNIS: A. Smith
NEW LISKEARD: A. S. Meisner
NEW TORONTO: L. B. Kerr
NORTH AUGUSTA: R. J. Millichamp, *Pro*
NORTH BAY: L. E. Shatford
OTTAWA: C. F. Lindsay, P. M. Dakin, *Asst.*
Bank and Fourth: James Brydon
Bank and Gladstone: D. A. Sutherland
Bank and Gloucester: S. Macdonald
Elgin and Frank: J. F. Thompson
Hintonburgh: A. A. Armstrong
Ottawa East: E. Edmunds
Ottawa South: C. R. MacLaggan
Rideau and William: W. B. Snow
Somerset and Bronson: H. J. Clarke
PARRY SOUND: W. D. McArthur
PEMBROKE: J. W. Nicolson
PERTH: H. K. Stevens
PETERBOROUGH: H. E. Wales
PETROLIA: G. R. Underwood
PICTON: E. L. Bronskill
PORT ARTHUR: W. C. Sinclair
PORT CARLING: W. P. Blakeston
POWASSAN: F. L. Galvin
RED LAKE: H. A. Dewolfe
RENFREW: S. Rowsell
RICHMOND: C. B. Lewis
RUSSELL: E. G. Rankin
ST. CATHARINES: W. H. Harris
ST. ISIDORE DE PRESCOTT: F. A. Duhamel
ST. JACOBS: R. T. Adam
SARNIA: W. C. McKinnon
SMITHS FALLS: A. T. F. Cobb
SOUTH MOUNTAIN: H. A. McInnes
STRATFORD: L. S. Nicks
STREETSVILLE: F. M. Pidgeon
SUDBURY: M. G. Trainor
SUTTON WEST: F. M. Wilmot
TIMAGAMI: G. H. Wilcox
TIMMINS: W. Long
TORONTO: Reid J. Smith, H. A. Bell, *Asst.*, C. R. Dickie, *Asst.*, N. B. Moore, *Asst.*
Avenue Rd. and St. Clair: J. F. Lynch
Bloor and St. Clarens: R. C. Clark
Bloor and Spadina: J. E. Edgington
Broadview and Gerrard: W. W. Mitchell
College and Bathurst: F. L. Fields
Danforth and Greenwood: R. Pouncy
Danforth and Pape: G. Williams
Dundas and Brock: W. T. Thompson
Forest Hill Village: O. MacNaughton
Gerrard and Woodbine: I. Galt

ONTARIO—*Continued*

TORONTO—*Continued*
- King and Victoria... W. S. Jamieson; T. D. Windross, *Asst.*
- Kingston Rd. and Bingham ... D. H. MacLeod
- Kingsway ... G. G. Crawford
- Oakwood and St. Clair ... L. O. Oke
- Pape and Gowan ... D. G. Rowntree
- Queen and Church ... H. M. Dagg; E. D. Blair, *Asst.*
- Queen and Lansdowne ... G. W. Poole
- Queen and McCaul ... G. F. Gardner; A. A. McIntosh, *Asst.*; J. K. Fraser, *Asst.*
- Queen and Pape ... H. B. Nelson
- Queen and River ... J. W. Wylie
- Spadina and Dundas ... W. A. Meyer
- Spadina and Dupont ... R. C. Sillers
- Union Station ... E. Barker

VANKLEEK HILL ... K. I. Mitchell
WELLAND ... J. O. Walsh
WELLINGTON ... R. D. Leavitt
WESTBORO ... H. A. Ballard
WESTON ... A. T. Stenhouse
WINDSOR ... G. N. Roberts

MANITOBA

DAUPHIN ... J. Bogle
EMERSON ... B. A. Oakden
PORTAGE LA PRAIRIE ... D. A. Wood
WINNIPEG ... K. S. Russell; W. R. Monteith, *Asst.*
- St. James ... R. Skinner

WINNIPEGOSIS ... H. H. Hill

SASKATCHEWAN

AVONLEA ... E. S. Ross
AYLSHAM ... J. P. Crow
BEECHY ... J. Mair
CARROT RIVER ... A. MacDonald, *Pro*
CODETTE ... J. A. Chevalier, *Pro*
GLASLYN ... J. Paxton
HUDSON BAY JUNCTION ... A. G. Schell
KINISTINO ... J. Edmond
MOOSE JAW ... O. Welsh
NIPAWIN ... R. H. Urquhart
PRINCE ALBERT ... J. H. Quinlan
REGINA ... W. G. Henderson
SASKATOON ... C. M. Killam
- West Side ... R. G. Doig

SHELLBROOK ... J. R. Stewart
SPIRITWOOD ... B. A. Evans
STAR CITY ... N. B. Johnston
SWIFT CURRENT ... S. K. Crawford
TISDALE ... J. N. Adams

ALBERTA

ARROWWOOD ... W. A. McMullen
BROOKS ... J. S. Burchell
CADOMIN ... H. A. Johnson

ALBERTA—*Continued*

CALGARY ... W. H. Byers; G. A. Begin, *Asst.*
- North Hill ... E. Wheeler
- West End ... A. R. Rendell

EDMONTON ... D. McCallum; J. A. Cranstoun, *Asst.*
LETHBRIDGE ... T. F. Mitchell
MILO ... B. L. Dewey
PICTURE BUTTE ... H. A. Hancock

BRITISH COLUMBIA

MISSION CITY ... H. W. Davis
NANAIMO ... F. W. Robinson
NEW WESTMINSTER ... W. J. Peers
NORTH VANCOUVER ... L. A. Hannah
PORT ALICE ... W. Barclay
PRINCE GEORGE ... W. R. McLure
VANCOUVER ... J. G. Penney; K. R. Elliott, *Asst.*; H. F. Summers, *Asst.*
- Broadway and Commercial Drive ... J. H. MacDonald
- Davie and Granville ... D. J. Mair
- 12th Ave. and Granville ... M. C. Chisholm
- 41st Ave. and Granville ... R. J. Dunn
- 49th Ave. and Fraser ... H. H. Bartlett

VICTORIA ... J. A. Baxter

NEWFOUNDLAND

BAY ROBERTS ... E. V. Hall
BELL ISLAND ... G. N. Rendell
BONAVISTA ... W. F. Noel
BURIN ... W. J. Brien
CARBONEAR ... F. Davis
CATALINA ... L. L. Russell
CHANNEL ... K. L. Crowley
CORNER BROOK ... F. D. Barrett
FOGO ... R. H. A. Coppin, *Pro*
GRAND BANK ... S. T. Jones
HARBOR GRACE ... N. D. Bishop
LEWISPORTE ... M. A. Russell, *Acting*
ST. JOHN'S ... A. L. Ormiston; C. R. Handrigan, *Asst.*
TWILLINGATE ... A. M. Stoodley

JAMAICA

BLACK RIVER ... E. P. Warneford
CHRISTIANA ... E. V. Parke
KINGSTON ... D. C. Lounsbury; V. F. Steeves, *Asst.*; E. E. Condell, *Asst.*
MANDEVILLE ... D. S. M. Clark
MAY PEN ... D. Lawrence
MONTEGO BAY ... E. G. Bird
PORT ANTONIO ... N. H. Airth, *Acting*
PORT MARIA ... P. R. Miller
ST. ANN'S BAY ... C. B. Cooper, *Pro*
SAVANNA-LA-MAR ... W. S. Wood
SPANISH TOWN ... P. Marshall

CUBA

CAMAGUEY.....M. A. Fornaris

CIENFUEGOS.....F. Montane, E. Marabotto, *Asst.*

HAVANA.....M. J. Betancourt, H. E. Curran, *Asst.*, C. E. Tanner, *Asst.*

Avenida de Italia.....A. de Moya

Padre Varela.....F. O. Perez

MANZANILLO.....G. Ferrer, H. A. Murcell, *Asst.*

SANTIAGO DE CUBA.....I. Batlle, J. H. Nesta, *Asst.*

PUERTO RICO

FAJARDO.....R. Martin

SAN JUAN.....E. G. MacIntyre, *Agent*, P. G. Marels, *Asst.*, A. R. Phillips, *Asst.*

DOMINICAN REPUBLIC

CIUDAD TRUJILLO.....T. W. Evans

UNITED STATES

NEW YORK AGENCY.....G. F. Hinchcliffe, *Agent*, C. G. Webster, *Asst.*

ENGLAND

LONDON.....E. C. Macleod, R. A. Elder, *Asst.*

Roll of Honour

Members of the staff of The Bank of Nova Scotia who gave their lives in their Country's Service in the Second World War

Amey, R. R.	North Sydney, N.S.	November 20, 1943
Armstrong, D. M.	Charlotte St., Saint John, N.B.	March, 1945
Beedham, M. M.	Victoria, B.C.	June 20, 1944
Beise, J. A.	West Side, Saskatoon, Sask.	November 13, 1940
Bell, C. E.	West End, Calgary, Alta.	November 23, 1942
Boyd, V. L.	Queen and Pape, Toronto	May 7, 1943
Brownlee, J. B.	Montreal, Que.	August 23, 1943
Bulman, F. L.	Charlottetown, P.E.I.	April, 23, 1944
Cabeldu, J. N.	Charlotte St., Saint John, N.B.	November 26, 1942
Cairns, A. H.	Bank and Fourth, Ottawa, Ont.	November, 1944
Cannon, A. E.	Rideau and William, Ottawa, Ont.	August 1, 1943
Clark, H. F.	North End, Saint John, N.B.	September, 20 1941
Cranston, J. F.	Carleton Place, Ont.	May 31, 1941
Davis, R. G. M.	Channel, Nfld.	September 14, 1942
Dunn, J. W. K.	Winnipeg, Man.	July, 18, 1944
Ellsmere, R. O.	Port Carling, Ont.	May 4, 1944
Fawcett, A. J.	Rideau and William, Ottawa, Ont.	September 17, 1942
Flemming, J. A.	Truro, N.S.	July 31, 1944
Francis, M. J.	Port Arthur, Ont.	August 6, 1944
Fraser, A. J.	Saint John, N.B.	January 3, 1942
Fraser, D. G.	Hamilton, Ont.	May 13, 1943
Gillies, K. M.	Shellbrook, Sask.	July 13, 1943
Graham, W. E.	Calgary, Alta.	June 8, 1944
Gregg, A. I.	College and Bathurst, Toronto, Ont.	February 22, 1944
Guy, N. W.	Vancouver, B.C.	April, 1945
Harman, F. C.	Vancouver, B.C.	August 31, 1944
Harnett, N. W.	Carbonear, Nfld.	January 4, 1945
Hatfield, J. E.	West Saint John, N.B.	May 28, 1940
Hayworth, W. A.	Regina, Sask.	May 19, 1942
Heaney, A.	Ottawa, Ont.	September 22, 1943
Hoar, A. M.	Lethbridge, Alta.	June 23, 1944
Hogan, J. D.	Truro, N.S.	September 24, 1943
Hunter, G. J.	North Bay, Ont.	September 14, 1944
Isaacs, J. E.	Halifax, N.S.	April 17, 1943
Jamieson, G. A.	Chester, N.S.	July, 1944
Jordan, H. C.	Renfrew, Ont.	July, 13, 1943
Judges, A. G.	Parry Sound, Ont.	December 11, 1944
Keith, J. R.	Windsor, N.S.	February11, 1942
Kenny, J. A.	Sherbrooke and Greene, Westmount, Que.	August 18, 1942
MacIsaac, B. H.	Halifax, N.S.	October 2, 1943
MacNeill, N. A.	Minto, N.B.	January 13, 1944
MacPherson, W. N.	Milverton, Ont.	July 25, 1944
McAlpine, W. J.	Bancroft, Ont.	May 12, 1943
McCurdy, A. C.	Queen and Pape, Toronto, Ont.	February 25, 1945
McGowan, T. C.	Vancouver, B.C.	May 27, 1944
McLaughlin, G. L.	Kemptville, Ont.	November 18, 1943
McLintock, W. S.	Regina, Sask.	October, 1944
McRae, J. R.	St. John's, Nfld.	April 16, 1942
Mair, C. M.	Portage la Prairie, Man.	November 24, 1943
Montgomery, T. K.	St. Jacobs, Ont.	November, 1944
Morris, J. H. P.	Alexandria, Ont.	April 7, 1943
Moseley-Williams, W. R.	Timmins, Ont.	October 4, 1944
Mulligan, M. G.	North Bay, Ont.	January 27, 1944
O'Hanley, G. J.	Morell, P.E.I.	January 28, 1943
O'Neill, F. S.	Arnprior, Ont.	June 26, 1944
Patterson, J. B.	St. George, N.B.	June 29, 1944
Peardon, L. G.	New Westminster, B.C.	September 19, 1944
Ralph, H. P.	Ottawa, Ont.	October 30, 1943
Ready, N. F.	Park and Fairmount, Montreal, P.Q.	November 7, 1944
Richardson, D. J.	Kingston, Jamaica	February 14, 1942
Richardson, J. S.	St. Stephen, N.B.	July 1, 1942
Ross, A. S. I.	Regina, Sask.	June 7, 1944
Ross, D. F.	Oxford, N.S.	April 12, 1945
Rowe, A. G.	College and Bathurst, Toronto, Ont.	March 11, 1945
Scott, L. O.	Bank and Gloucester, Ottawa, Ont.	May 15, 1942
Seaman, F. H.	Davie and Granville, Vancouver, B.C.	October, 1945
Shannon, L. C.	Winnipeg, Man.	March 29, 1944
Simonson, V. L.	Swift Current, Sask.	July 19, 1942
Slack, W. O.	Bank and Gladstone, Ottawa, Ont.	May 5, 1943
Slocum, A. G.	West Saint John, N.B.	March, 1945
Snow, M. V.	Elmwood,Winnipeg, Man.	December 4, 1943
Stanzel, R. S.	Cornwall, Ont.	April, 1945
Stitham, G. V.	Tatamagouche, N.S.	May 20, 1945
Tate, D. E.	Parry Sound, Ont.	May 25, 1944
Thomson, T.	Bank and Gladstone, Ottawa, Ont.	January 21, 1944
Tighe, R. G.	Victoria, B.C.	April 3, 1943
Tinsley, G.	King and Sherman, Hamilton, Ont.	August 18, 1942
Waltham, G. D.	Calgary, Alta.	January 19, 1942
Wiley, B. K.	Fairville, N.B.	August 27, 1944
Worley, R. S. B.	Westboro, Ont.	February 25, 1943
Zavitz, J. M.	Welland, Ont.	August, 1944